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NOTES OF THE WEEK.

"UNEASY LIES the head that wears a crown." Among the figure-heads of the nations none needs profounder sympathy than he, most potent of them all, who this week assumes the realities without the gaudy external insignia, though some would give even this, of authentic sovereignty. If he shares no dynastic dreads that rob thrones of their restful allurements, the new successor of the great Washington and the noble Lincoln, with malice toward none and charity for all, faces the keener perils of difficulties all but insuperable, and of expectations made poignant by the patient long-suffering of a people unused to adversity. The pent-up hopes of seventy millions await the word that shall change gloom into joy. No fiercer light ever beat upon a throne than the pitiless glare of hungry eyes that long have yearned, and now agonizingly implore, and may yet flash despairing demands for some imperious fiat that shall compel swift restitution of the right to life with happiness to the wronged. The land quivers, the rumblings of threatening convulsions are heard, a great nation awaits its master-servant, and the times cry aloud for a strong man who can lead, build up and protect, and give back to the industrious millions cursed with idleness and despoiled of the fruits of their toil, the right to breathe, to work, to live.

BUT though seventy millions of people longingly await the master-hand that will guide our country out of the gloom of industrial depression into the light of renewed activity and prosperity many despair of finding in Mr. McKinley that master-hand. Mr. McKinley has been entrusted with the reins of government, the reins to guide the country along the high road of prosperity, he has come from Canton and been installed in the Presidential chair, but he has not brought with him the ground-work upon which to build prosperity. Mr. Cleveland has vacated the White House, but he has left his policy, pursuit of which has scattered disaster broadcast among our people, behind him. Mr. McKinley has entered the White House to pick up this policy, not to reverse it, and until the policy that breeds disaster and has been the cause of our sufferings is reversed, we can, as a people, know no happiness, no prosperity. Mr. McKinley is at variance, it is true, with Mr. Cleveland as to tariff policy, and he will, it it assumed, reverse this much of Mr. Cleveland's policy if he can, but tariff is a minor question. And even over a reversal of this much of Mr. Cleveland's policy we may expect the McKinley administration to grow lukewarm, for have we not at the head of the Treasury Department, in the person of Mr. Gage, a tariff reformer who voted for Mr. Cleveland in 1884 and 1888? And a thoroughgoing believer in low tariff, a tariff for revenue with incidental protection, cannot be expected to enter enthusiastically into a struggle for protection for protection's sake.

WE are told the new tariff taking shape under the guiding hand of Mr. Dingley is being formulated from two standpoints, the standpoint of revenue and the standpoint of protection. But how tariff duties formulated with a view to yielding greatest revenues can at the same time be made protective is somewhat of an enigma. To get most revenue out of a tariff the schedules of duties must be put as high as they can be put without putting a serious check to imports, but not one bit higher. A tariff that is prohibitory will not yield revenue, and it is the prohibitory tariff that is protective. The tariff that will be best from a revenue standpoint must not repress imports, and it is this sort of a tariff that another member of Mr. McKinley's Cabinet tells us we want, it is at this sort of a tariff that the President, the erstwhile apostle of protection, aims his contradictory platitudes; but a tariff that will not repress imports and put no check to the inflow of foreign goods can extend no effective protection. If Mr. Dingley tries to make his tariff cut between these two poles, so as to protect manufactures without repressing imports of manufactured goods, it will be an interesting document.

The task of making the McKinley tariff was easy, for then the aim was to cut down revenues as well as to build up protection. Now the task is different, and so is the making of a protective and at the same time a revenue tariff, a very different thing to-day than it was twenty or thirty years ago, when our manufacturing industries were in a more nascent and undeveloped condition. Then we were not prepared to make for ourselves the full amount of certain lines of goods needed, and no duty was

prohibitory, but now things have changed, so that a very moderate duty is prohibitory to the importation of many products. Then an amply protective tariff yielded much revenue, because until we were in condition to supply our own needs we imported goods even at a cost much above the cost of making at home. But now, through the development of our manufactories and the curtailment of our markets, having reached a point where we can readily produce, of most manufactured articles, all that we need, a tariff that makes the cost of foreign goods more than the cost of making them here, is prohibitory, and yields no revenue. And a tariff, the schedules of which are not sufficient to raise the cost of importing goods above the cost of making similar goods at home, is not regarded by our manufacturers as protective. So it is that the time has come when the protective schedules of tariffs have lost for us their poignancy as revenue schedules. We must get our revenues out of other schedules and from other sources. Despite the decision of the Supreme Court, an income tax will yet come to be the great reliance of the national Government.

OVER the great question of policy that distracts the country Mr. McKinley and Mr. Cleveland are at one. With the policy pursued by Mr. Cleveland, and which has engendered paralysis of trade and industry, Mr. McKinley is in accord. That policy is, of course, the policy of contraction, hidden with a coat of deception it may be, but still there. It is this policy that we have followed intermittently for a generation, that Mr. Cleveland has followed with dogged persistence.

Mr. McCulloch, appointed by Lincoln in 1863, as his Secretary of the Treasury, in the belief that he was opposed to a contraction of the currency such as would depress prices, undermine profits and stifle industry, inaugurated this policy. Lincoln was killed and McCulloch turned out to be all that which Mr. Lincoln believed he was not. Then came Mr. Sherman to push along this policy that meant the enrichment of the few and the impoverishment of the many. At first it was war on our interest-bearing legal tender notes and greenbacks, then on silver. The interest-bearing notes were taken out of circulation and funded into long-time bonds, retirement of our greenbacks was set in motion, stopped, set in motion again and then peremptorily and finally stopped after about $100,000,000 had been destroyed. Our mints were closed to free silver coinage in 1873, and the legal tender quality of our silver dollar was taken away in 1874 to be partly restored in 1878 along with the passage of the Bland Act, a compromise measure, with its shortcomings as such, but which served a valuable end in providing for a yearly addition to our currency of something over $25,000,000 for twelve years. The addition thus provided for did not keep pace with the increasing demands of a growing country and was therefore not sufficent to prevent prices from falling, but it was sufficent to much minimize this fall and lessen the resulting hardships. In 1890 another compromise was effected, the Sherman Act being substituted for the Bland Act. But the substitution was fatal, although it provided for a greater addition to our currency than the Bland Act. It was fatal because, as executed by the Executive Department of our Government, it did not provide any basis upon which to rest the notes issued thereunder in payment for purchases of silver. Instead of redeeming these notes in silver dollars, as was the plain intent of the law which left it with the Secretary of the Treasury to redeem these notes in either gold or silver at his discretion and directed him to coin out of the silver bullion purchased a sufficent number of silver dollars to provide for such redemptions, the redemption of these notes in gold whenever demanded by the noteholders was directed. Thus they were made gold obligations and aggravated the difficulty of the Government in keeping up the gold reserve. This was made the excuse for the unconditional repeal of the law in 1893. Then last summer Mr. Carlisle announced that he regarded it as his duty to direct redemption of the silver certificates in gold coin should there be any indication of those notes falling below parity with gold. And now comes Mr. McKinley, telling us we must pay all our obligations, express or implied, that is, bonded debt, greenbacks, Treasury notes, silver certificates, all our currency, in the dearest money known to the world—gold.

So we see how Mr. McKinley is in full march along the course of contraction that the money cliques, bent on making the dollar dearer, and thus robbing debtors for their own enrichment, have aimed at ever since the war. And it is pursuit of this policy that has cast an ever-thickening gloom over our people, a gloom lightening when the moneyed interests have been forced to relax their efforts towards contraction, as at the time of the passage of the Bland Act, and thickening again on the resumption of contraction's sway.

THE Fifty-fourth Congress has passed into history, and although its sessions have been barren of positive accomplishments, we are not unmindful of the good work it has done in a negative way. Against all schemes of currency contraction, all schemes for the aggrandizement of centralized capital through a systematized confiscation of the fruits of others' toil, it has stood as a bulwark. Contraction and the enhancement of our dollar has indeed gone on, but the Fifty-fourth Congress did nothing to hasten it, it refused to yield to demands for the funding of our greenbacks and Treasury notes, it refused to authorize bond issues with a view to effecting a contraction of our currency by withdrawing money from circulation and piling it up in the Treasury. The bond issue of $100,000,000 made last January, was made not with the sanction but in spite of Congress. This bond issue, of course, resulted in contraction, an enhancement of the dollar, falling prices and consequent confiscation of the property of debtors. So, also, during the term of the Fifty-fourth Congress, has centralized capital gone on in its systematized course of wrecking railroads and industrial interprises, buying in such properties at wreckage prices, reorganizing and recapitalizing them and selling new issues of watered stocks and bonds at a great profit to the wreckers, but by no act has the Fifty-fourth Congress facilitated this work. On the contrary, it placed its determined veto on a steal contemplated by the cliques who have preyed for a quarter of a century on the Pacific Railroads subsidized by the Government, who finally wrecked those properties and then set out to get Congress to compromise the debts of those roads to the Government, whereby the wreckers might profit at the Government's expense to something like $50,000,000. These debts of the Union and Central Pacific Railroads to the Government and aggregating $113,000,000, and worth every cent of their face value, may yet be compromised; the Government by forcing the properties to foreclosure sale without taking steps for the protection of its interests may yet lose $50,000,000 or so upon these debts, but if so, the responsibility will rest not on the legislative, but upon the executive branch of the Government.

IN its first session the Fifty-fourth Congress was confronted with a demand for the retirement of our greenback currency. The House, with its great Republican majority, responded to the President's appeal for legislation to relieve the Treasury of its embarrassments, consequent on the drain on the gold reserve, by passing two remedial measures. One was the Dingley tariff measure, providing for the levying of 60 per cent. of the McKinley rates on wool and woolens and a horizontal lift of 15 per cent. on the other schedules of the Wilson tariff, and the other, a bill authorizing an issue of long-term 3-per-cent. bonds for the purpose of building up the Treasury gold reserve, and an issue of short-time certificates to cover deficits in revenues. These bills were promptly sent to the Senate. They were measures framed by those who feared to face the issue, by men wishing for contraction but fearing to advocate it, and so seeking about

for a way to contract our currency in a roundabout, covert way. So they hit on these measures. The purpose aimed at was this: First, the withdrawal of money from circulation and piling of it up in the Treasury by borrowing, and second, the locking in the Treasury vaults of the money so hoarded by providing against any deficit in revenues, and thus closing up the only channel through which greenbacks, indirectly withdrawn from circulation by bond issues, could find their way back again into circulation. Thus it was hoped a permanent contraction of our currency and enhancement of the dollar could be effected by piling up money in the Treasury. These measures would not have so worked, for the further enhancement of the dollar, and depression of prices, would have put a check to imports, and thus nullified the expected increase of customs receipts from increased duties. Consequently the deficit would have remained and the hoarded greenbacks paid out to meet this deficit, and thus put in circulation again.

The Senate, not being in control of the contractionists, saw the purpose of these measures and vetoed them by substituting for these false remedial measures the only true remedial measure—a measure providing for the free coinage of silver. This counter-proposition of the Senate the House promptly voted down, and as a result of the deadlock no legislation other than the mere routine found its way through the first session of the Fifty-fourth Congress.

In the Second session, the Dingley tariff was pressed for a few days in the Senate in a sort of half-hearted way by Republicans who did not care for its enactment. It was soon given its formal burying by mutual consent, the silver protectionists having made it clear that they would not support the bill. They took this position because they saw what a farce a protective tariff must be so long as we pursue the gold standard and thereby build up a bounty of 100 per cent. on all exports from silver-using to gold-using countries, and of necessity impoverish our farmers by forcing them to sell their surplus products in competition with competitors enjoying this bounty.

The Dingley tariff bill dead, and all currency questions eliminated, being tacitly postponed for the consideration of the Fifty-fifth Congress, which, by the way, evinces little inclination to solve them, Congress devoted its time to the dull routine of passing appropriation bills, voting pensions, and the appropriating of money for payment of various claims against the Government; the monotony of the sessions being broken by the consideration of some noteworthy measures, only one of which, the immigration bill, ran the gauntlet of the two Houses, and this only to be vetoed by the President. Two other measures of more than passing interest came before the House—the Loud postage bill—putting certain kinds of mail, now entered as second-class matter at the rate of one cent a pound, outside of this category, which died between the Houses, and the Pacific Railroad refunding bill, already referred to, which was defeated by a decisive vote, greatly to the credit of the House.

And while the House put this act of negation to its credit, the Senate put two other acts of negation, equally meritorius, to its credit. The one was the shelving of the Nicaragua Canal subsidy bill, which contained the seeds of the building up of a steal over the construction of this inter-ocean waterway, much of the same kind as that which grew out of the subsidizing of the Pacific Railroads, while besides this it sanctioned an over-capitalization and watering of stock which the Government could not afford to countenance by becoming a party to, for the Government could not well interdict the over-capitalization of railroads and the charging of rates made necessary only by the effort to pay interest on watered capital, which it must sooner or later do, if it was itself a party to an over-capitalization of a canal and was profiting from the charging of tolls higher than warranted by the cost of construction and the expenses of operation. The way now opens for the building of this canal directly by the Government and for its operation as a Government property. The advances now making by the President of Nicaragua looking to this end should be promptly met. The other act to the credit of the Senate was its refusal to ratify the Anglo-American arbitration treaty which would have, to a degree, left the decision of disputes between England and America to the arbitration of a court prejudiced to the British claims.

During the closing days of the session the members of the majority in the House gave an instance of their utter lack of appreciation of the conditions that confront us. Our currency troubles arise from the fact that our monetary system is top-heavy. We have made it so by discarding silver, and we can only put it on a sound foundation by restoring silver to its place as money, thus broadening the basis upon which to rest our paper fabric, or by cutting down the superstructure of paper money to the narrow gold basis. Now, the Republicans are opposed to the only feasible way of putting silver back, that is, free coinage, and so the logical thing for them to do would be to set about contracting the superstructure. But, instead of this, what do we find them doing? Actually proposing to further expand the volume of paper currency resting on the already over-burdened basis. In short, they put a bill through the House authorizing National banks to issue notes up to the full par value of the United States bonds deposited as security for such issues. They are now authorized to issue notes only up to 90 per cent. of the par value of these bonds, and as there are now $220,000,000 of bonds on deposit for the security of bank issues, the enactment of this law would enable the banks to issue some twenty odd millions more of currency without depositing another bond as security or taking a single dollar out of their capital.

Now, every expansion of currency is, of course, calculated to raise prices, which is something very much to be desired. But under the gold standard we cannot raise prices. The gold exports of the past few years have resulted from the fact that we have held our prices above the gold level, and that, as a consequence, our creditors have preferred gold to our products. For the moment, we are having temporary relief, but it is due to entirely abnormal causes, crop failures and famine in other quarters of the globe, and resumption of gold exports may be expected with the return of normal conditions. And gold exports mean we are holding prices above the gold level, our creditors saying, put down your prices so your products are as cheap as similar products offered by other peoples, or send us gold. And this being the condition of affairs, it is quite clear that to raise prices, while adhering to the gold standard, is quite out of the question. We may increase our paper currency to this end, but such issue will simply mean that gold to the amount of that increase must be shipped in excess of what would otherwise go. To adhere to the gold standard, and increase our issues of bank paper or any other currency, is, therefore, but to invite gold exports.

This bank act got no further than the House, but there is another measure that was squeezed through the House and, in its amended form, through the Senate despite the crush of belated appropriation bills. This measure, the International Monetery Conference bill, is one which will be fruitless, unless we get the consent and help of Great Britain in the object therein aimed at: international bimetallism. That we will get this help from Great Britain we do not anticipate, for the British creditor classes are not at all adverse to our paying them in dollars worth twice as much as the dollars they loaned us, and they evince no inclination to join us in cutting the value of these dollars down. But still it has been hard, very hard, for thorough-paced monometallist organs to print the House debate, which resulted in the swamping of the 3 upholders of the triple Lombardy emblem by the 279

keener-eyed discerners of the signs of the times, and even harder for them to record Mr. Cleveland's perfunctory approval of the bill. To be obliged to proclaim, though in belittled paragraphs under whispering headlines, that, after all, there is a growing fraternization between legislative conscience and policy, which bodes ill for the tottering conspiracy of greed, partisanship, corruption and ignorance, this has been martyrdom, indeed. The thick-and-thin Republican organ grinders are changing their tunes as rapidly as is good for them, and, at the present rate, it will not take them many weeks to work up a kind of Dutch concert, in which each player may play his own tune in his own time, as freely as is consistent with limited liberty, so long as they do not quite drown the sound of the advancing silver trumpet.

JAPAN is carrying her mimicry of other people a little too far for her own good, and much too far for the good of the Western nations. It seems that the land of the Mikado is going to adopt the gold standard with a view to securing a fixity in her exchanges with gold-using peoples. It bodes no good for the thriving industries that have been built up under the stimulus of a premium on gold, which has acted on imports from gold-using countries just as a tariff of 100 per cent. would have done, though the Japanese cotton mills and other manufactories are not likely to suffer at once any serious consequences from the change. The reason for this is that, to start with, there will be no diminution in the advantage the Japanese producers enjoy over their gold-using competitors. If Japan adopted the gold standard at the ratio of 16 to 1, and thus put herself on the same basis as the gold-using countries, her producers would at once lose the protection they are now enjoying in the shape of a premium on gold of 100 per cent. But she is going to keep this protection. Although going to the gold standard, she is going to keep her currency at a depreciation of 50 per cent. as compared to the currencies of gold-using countries. In adopting the gold standard she adapts it to the silver standard. This she is going to do by cutting the gold in her coins in half; putting just half as much gold in her new coins as she put in her old. In other words, she is going to adopt a ratio of 32⅓ to 1.

So she will feel no evil effects at once from the change from silver to gold. What she will feel later is a very different question. Her action, if persisted in, will undoubtedly make an increased demand for gold and decreased demand for silver. This is likely to lead to a further divergence in the value of gold and silver. And then what? The Japanese manufacturer will find himself in much the same position as the closing of the Indian mints has left the Indian manufacturer. In brief, the Indian manufacturer, because of the artificial value given to the rupee by the closing of the mints and the cutting down of the premium on gold, as measured by rupees, enjoys a protection as against gold-using countries of but 50 per cent., and as against silver-using countries he is at a disadvantage, because the manufacturer in such countries has a protection of 100 per cent. against all gold-using peoples, of 50 per cent. against the Indian manufacturer, and has equal bounties on all exports. The result is the cotton industry of the East is being transferred from Calcutta to Shanghai. And if Japan goes on in the course indicated, so as to put gold up and silver down, until the divergence in values is, say, 110 per cent., what will happen? There will be a duty against imports of Japanese manufactures into China of 10 per cent., a bounty on exports of cottons from Shanghai to Japan of 10 per cent. And then we will witness a languishing of the Osaki cotton mills, while Shanghai mills spring up to take away their trade.

The effect upon the gold-using world at large of Japan's action must be injurious, for as gold is forced up in consequence of the increased demand, prices in all gold-using countries must be forced down.

MR. STUYVESANT FISH is president of the Illinois Central Railroad and vice-president of the Park National Bank of New York, but he has swung himself free of many of the prejudices of his surroundings, and we have much respect for his views. He agrees with us in so many things. A short time back we had occasion to commend him for his boldness in advocating the operation of the Central and Union Pacific Railroads by the Government. Now we have his support in our demand for an amendment of the National Bank Act, directing all national banks to keep their reserves in their own vaults. He writes in the *Manufacturers' Record* of Baltimore:

"That a bank must at all times keep in reserve a certain portion of its depositors' money is, of course, necessary. But the provision of the law that part of the reserve may be deposited with other banks in distant cities, often places the reserve out of the control of the bank when its needs are greatest. The law also creates congestion in the money centres. It also tends to leave the country banks at all times without sufficient cash to adequately care for the legitimate demands of their commercial depositors.

"The further provision that when the reserve of a bank falls below the per cent. named in the law the Directors shall not make new loans or discounts, if strictly and invariably followed, would, in every crisis, lead to the bankruptcy of all of the bank's commercial depositors, and necessarily to that of the bank itself."

And then later he says: "As a system of banking for those engaged in commerce, who base their operations on securing from their banks lines of discount commensurate with their average deposits, the system has failed whenever seriously tested.

"It failed in 1869—Black Friday; it failed in 1873; it failed in 1884, the Marine Bank and the Metropolitan Bank going under in New York; it failed again in 1890 on the Baring's suspension in London; again in 1893, and again in 1896. I do not say that the national banks or any great number of them failed, but I do say that the reliance of merchants on their banks failed them at each of those times, and that the fault lies in the provisions of the National Bank Act as now in force. The time for a change has come."

COMMENTING on one of the New York lectures of Mr. Bryan, the *New York World* quotes the late Democratic standard-bearer to the effect that: "No just government ought to enable or permit one citizen to injure another citizen," upon which truism, it remarks: "True. But would not the Government do this if it enabled one class of citizens—the debtors—to discharge their obligations to another class—the creditors—in dollars worth only half as much as were the dollars loaned?" to which we in our turn remark, "Quite true." But, we would ask the *World*: would not the Government do this (that is, enable one citizen to injure another citizen) if it enabled one class of citizens—the creditors—to exact payment upon obligations due them by another class—the debtors—in dollars worth twice as much as were the dollars loaned? And if the *World* is honest it must answer, "Quite true."

Now, the *World* asserts that free silver coinage would enable debtors to pay their debts in fifty-cent dollars; our contention is, that the denial of free silver coinage is enabling creditors to exact from their debtors two hundred cent dollars, and that the restoration of free silver coinage would be simply an act of justice, enabling debtors to pay their creditors in dollars of the same worth as the dollars borrowed. The question, then, resolves itself into simply this: is the maintenance of the gold standard an act of injustice? If it is, free coinage would be an act of justice to debtors; if it is not, free coinage would be an act of injustice to creditors. Fortunately, this question is susceptible of proof; unfortunately, the gold contractionists evince no disposition to abide by the proof.

We find this proof, of course, in the movement of prices, for commodities measured in gold, price gold, no less than gold, prices commodities. And now what is proven by this proof? It shows conclusively that the maintenance of the gold standard is an act of injustice, that the free coinage of silver would be an act of

justice. In short, gold prices have fallen, which means the cost of gold as measured by commodities has risen. On the general fall in prices we will not dilate. We will measure gold by our three great cereal crops, representing in value fully one-half of our agricultural products, and let that suffice. We will not go back to 1873 for our comparisons, for we are told improvements in production have greatly cheapened the labor cost of cereals, and we are told much the greater number of debts have been contracted at more recent dates. When we consider that many new bonds and mortgages are simply renewals of older ones, there is some question about this.

But let all this pass, and go back only to 1890, since which year there have certainly been no striking improvements in agricultural machinery. What, then, do we find? Just this. In 1890, we raised of these grains 2,413 million bushels of a money value of 1,311 millions, or an average farm value per bushel of 54.3c. In 1892—we skip over 1891, for it was a year of high prices, consequent on the Russian famine, and it would be unfair to our antagonists to make comparisons with this year—we raised of corn, wheat and oats 2,805 million bushels of a value of 1,173 million dollars, or an average farm price of 41.8c. a bushel. In 1894, we raised 2,334 million bushels of a value of 995 millions, or an average price of 42.6c., and in 1896 we raised 3,418 million bushels worth 934 million dollars, or an average price of 27.3c. a bushel. Now, just take these figures and see where the farmer came out in the payment of his debts. In 1890, he could have paid $1,000 with 1,841 bushels of grain, using of each of the three cereals a quantity proportionate to the respective harvests. In 1892, he would have had to give 2,392 bushels; in 1894, 2,347 bushels, and in 1896 he would have had to have sold to get the dollars to pay a debt of $1,000 no less than 3,663 bushels of grain, nearly twice as much as it took in 1890. In other words, the dollar as measured in cereals was worth almost twice what it was in 1890. It is, then, not a case of free coinage enabling debtors to pay their debts in dollars worth only one-half the dollars loaned, but of the gold standard enabling creditors to exact from their debtors dollars worth twice as much as the dollars loaned.

Too much weight is popularly attached to merely human influences, and too little to metallic ones, in weighing the probabilities of European war. Flesh can be squeezed, but not gold coin. When a Spaniard or Cuban, a Greek, Turk or Cretan gets shut up in a hole with bags of bullion, it is the man who has to shape himself to the bulging and pressure of the bags. The dogs of war are leashed by purse-strings, and just now those who hold them are thinking twice a hundred times before they shout Havoc! and let them loose. Principles and sentiments are grand; they make the steam which peoples store up, which legislatures manipulate at the safety valve, which Gold controls at the throttle. Statecraft and sovereignty encourage the popular recitation of political and social decalogues, because they are graven upon tablets of perishable stone. They silently cherish and wield sceptres of metal which allures and endures. So far as gold is a clog and impediment to the chariot of war, it may be a blessing in disguise, but the shame is that Peace cannot shake hands with Prosperity without the meddling of Mammon.

THE Powers, whose guardianship of Crete is an unmitigated nuisance to it and themselves, are really higgling over the financial and not the moral aspect of the situation. Turkey owes about fifteen hundred millions of dollars in England and France, and is anxious to borrow a trifle of twenty millions more. The Sultan is woefully in arrears with repayments, and only a few creditors get any interest. The bondholders are in mortal dread of the bankruptcy of Turkey, which the transfer of Crete to Greece would probably hasten. These bondholders have also a hold on their several Governments. They have been able to make as well as prevent wars, as the Berlin Treaty and the invasion of Egypt bear witness. Greece would not be the gainer to anything like the extent Turkey would be a loser by the cession of Crete, but this consideration has little or nothing to do with the mere sordid financial selfishness with sways the balance of latter-day statesmanship.

CECIL RHODES predicts that within ten years South Africa will belong to the British crown. His dastardly trick to fulfill his prophecy has ensured its failure and embittered all future negotiations for a friendly settlement. If ever the Transvaal and Orange Free State come to form part of the British empire it will be an act of free will on their part and never by conquest, honest or dishonest, if such terms can rightly be used in this connection. Voluntary alliance, not absolute absorption, was a possibility, almost a probability, until the Rhodes rascality roused the strong patriot temper of the peaceful Boers. The present disturbed relations between the English government and that of President Kruger will not mend until Rhodes and those behind him have been put back and made to feel they must stay in their proper place, alongside the smaller commercial ventures. It would not pay England, in her jubilee year, to shirk the duty of re-establishing respect, if not cordiality, between herself and the Boers. They have a knack of making England respect them, whether she likes to or not.

PRESIDENT McKINLEY'S INAUGURAL.

IF MR. McKINLEY is possessed of a fitness for leadeship his inaugural address was a studied effort to hide the fact. He dealt in vague generalities; for our admitted monetary ills he had no remedy to propose; even his treatment of the tariff was characterized by a marked want of explicitness. He spoke as a man without a policy of his own, as a man, who, if possessed of any convictions, held those convictions subservient to the will of others, and who awaited a cue as to policy from those to whom he owed his preferment. And instructions as to a definite policy of remedial legislation not being forthcoming,—the men who to all appearances lent their aid to Mr. McKinley in consideration of his compliance to their wishes not being able to agree among themselves as to a plan of action,—the President was left at sea. A fear that he might say something that would displease the owners of centralized wealth, as yet unable to agree as to remedial legislation, and to whom he owed his election, seemed to constrain him from making any definite suggestions. He knew not just what would be the plans of monetary reform that the moneyed interests would next advocate, for they had not agreed among themselves. He could not follow their leadership, for they were not prepared to lead, and, as for himself, he seemed to fear his own initiative, seemed to shun the responsibility of leadership.

But whether it be that Mr. McKinley waits for the moneyed interests—bent on forcing contraction and securing a further enhancement of the dollar, but not quite sure of the most feasible way of overcoming opposition and attaining this end—to agree upon a common plan before announcing any definite policy, or whether it be that he is lacking in the constructive ability to devise a broad system of monetary reform calculated to put our currency on a sound foundation, the fact stands out that his observations on the needed reformation of our monetary system are as colorless and indefinite as they could well have been made. They could not have been more meaningless if he had taken pains to make them so. If Mr. McKinley is not wanting in the quality of constructive ability, his inaugural much belied him, for he appeared in it as a man without settled convictions, as a man of putty, not of iron.

Mr. McKinley approached the consideration of our monetary system with most uncertain steps. What he is driving at, if, indeed, he is driving at anything, he did not make clear. We

are inclined to the belief that he is not yet ready to drive at anything; not that his purpose, and the purpose of the moneyed cliques, is not fixed; not that the objective point of those who scheme to enrich themselves by increasing the tribute they can exact from the producing classes, through manipulating our currency, is not clearly in view; but, because the road by which to reach this objective point, and that is not beset with pitfalls, is yet to be found. How to go at the retirement of our national currency and the substitution of bank currency, so as not to excite insurmountable opposition, is the question. It is the road by which this opposition may be encircled and avoided that the money monopolists seek in vain, and, hence, their uncertainty, as path to be pursued and details as to policy. Their task is to get the producing classes, through the men sent to Congress by the votes of these classes and delegated to look after the interests of the producers of wealth, to vote their own impoverishment. Such a task can only be successfully carried through in a disguised garb, and how to disguise the destruction of our national currency and the substitution of bank currency, so as to make it appear to be in the interest of the producing classes, is a problem most difficult to solve.

Mr. McKinley does not try to solve it. He sets out by telling us the Government should continue the supervision of our currency. Just what he means by this is made a little clearer when he speaks of the several forms of our paper money as offering a constant embarrassment to the Government, following this up by calling attention to the need of revising our fiscal system in such a way as to "no longer impose upon the Government the necessity of maintaining so large a gold reserve." On top of this he tells us that no effort must be spared to keep all our issues of currency at par with gold by providing for redemptions, and as the Government is going to be relieved of the necessity of keeping a gold reserve for such purpose, it must follow that Mr. McKinley contemplates the destruction of our national currency, thus relieving the Treasury of all calls for redemptions. So we gather that when Mr. McKinley says: "Our currency should continue under the supervision of the Government," he means not that the Government shall issue money, but that all our currency shall be issued by the banks under governmental supervision.

Mr. McKinley also tells us he "believes it necessary to devise a system, which, without diminishing the circulating medium or offering a premium for its contraction, will present a remedy for those arrangements, which, temporary in their nature, might well in the years of our prosperity have been displaced by wiser provisions." What these wiser provisions might be he does not even hint at, what sort of a remedy he has to propose for present "arrangements" he does not tell us. Evidently he is not ready; those for whom he speaks are not prepared to make definite proposals.

So he finds escape in postponement. He suggests that the devising of a plan of currency reform be devolved on a commission. In this he follows after the suggestion of the Indianapolis Monetary Convention, to substitute government by commission for government by Congress. He tells us how, if Congress will authorize the creation of such a commission, he will appoint prominent business men of different parties; "business men," we suspect, being used in the restricted sense of men engaged in the distribution of wealth, and more particularly men engaged in gambling in the product of others' labor, with a view to preying on the fruits of others' toil, and "different parties" in the sense of Republicans and gold Democrats.

But when it comes to revising our currency laws, it seems to us the producers of wealth, our farmers and wage-earners, are quite as much entitled to take part in such revision as the speculative cliques bent on stripping these classes of the products of their labor. The farmer, the manufacturer, the wage-earner are quite as much interested in our fiscal laws as the so-called "business man." With an honest standard of value, such as will secure to them the fruits of their toil, their welfare is bound up. And an honest standard does not mean a gold standard that is appreciating in value, and belies the very name conferred upon it, for standard means something invariable. And it is a true standard of value, that is, a dollar of no greater purchasing power to-morrow, or next month, or next year, than to-day, that producers of wealth seek after.

A dollar of appreciating value deprives the producers of wealth of the fruits of their toil, and they cannot afford to let a commission of "business men," bent on enhancing the value of the dollar, work out for our country a monetary system. For them to do so would be to write their own impoverishment. When it comes to revising our monetary system, a commission appointed by the whole people can be more safely relied on to do justice to all than a commission appointed by the President, from the members of a single class. In short, Congress will make a safer, better monetary commission than any commission selected by appointment.

But the President needs a refuge, he wants time to collect his views and enable the money cliques to devise a policy; he does not know just how to move, wants no move by Congress at this time, and so he suggests postponement by referring the whole matter to a commission. The tariff is all that Mr. McKinley wants treated at the special session of Congress that he announces he will call for March 15th, and it is with evident relief that the President hurries over his references to our monetary system, and gets down to recommendations for tariff legislation. But before coming to this, and after suggesting a monetary commission, he perfunctorily pledges himself to promote international bimetallism, and then, as if to ameliorate the gold contractionists, pledges himself to treat our silver dollars as subsidiary coin redeemable in gold. In other words, while following, for appearances' sake, the delusion of international bimetallism, he is going to hold us firmly down to the gold basis. If necessary he will even borrow gold with which to redeem our silver dollars, and thus carry out to an extreme Mr. Cleveland's policy in treating silver as a metal unfit for use as money.

But bond issues Mr. McKinley believes will be unnecessary if we will build up our revenues. He does not linger long over the way to raise additional revenue. He narrows down the source from which to derive new revenues to the tariff and he asks that schedules shall be arranged so as to yield increased revenues while extending protection. In other words, he says: Devise a tariff that will repress imports and yet not so repress them as to cut into revenues. There is something not a little contradictory in this, but as we have elsewhere gone into this phase of proposed tariff legislation, we need not linger over it here. And for that matter, Mr. McKinley does not linger over the difficulty of building a tariff that aims to accomplish two things, the one antagonistic of the other. He simply assumes that it can be done and passes on, assumes either that a tariff that will put no check to foreign importations will give needed protection, or that a tariff that will keep out goods of foreign manufacture and preserve our home markets to our own manufactures will not lose its effectiveness as a revenue measure. Which assumption he builds upon he does not say and we do not know.

But protection to our manufacturers through this tariff bill that will give protection without checking imports, or repress imports without in the least diminishing receipts from customs, we are to have, and this protection, this preserving of a home market to our manufacturers, is going to bring prosperity. But the trouble is that this home market has been ruined by the fall of agricultural prices, which are fixed by prices ruling abroad and can be affected by no tariff legislation. So it is hard to see how a high tariff can bring revival to manufacturing, for it cannot restore the market for manufactured goods that has been lost through the impoverishment of our farmers—an impoverishment

due to the discarding of silver money, the building up of a premium on gold as measured by silver and the consequent building up of a bounty on all exports from silver to gold-using countries.

Legislation helpful to manufacturers is beneficial to all, truly remarks Mr. McKinley, but high tariff, unless united with bimetalism, will not be helpful to manufacturers, and hence will be beneficial to no one. And then it is well to remember that legislation injurious to farmers is hurtful to all. Mr. McKinley seems to overlook this, but he cannot overlook it in the reestablishment of prosperity, for just so long as we legislate so as to knock down agricultural prices we knock down the market for manufactures and cast manufacturer and farmer alike further into the slough of depression, in place of lifting them out.

From tariff Mr. Kinley goes on to speak of the advantages of reciprocity treaties with countries to the south of us, which THE AMERICAN had the honor of suggesting sixteen years ago, and long before Mr. Blaine took up with the idea, pointing out that a freer trade between the United States and South American States and West Indian islands would be mutually advantageous, as we could supply them and they us with non-competitive products. Then the President touches on the building up of an American merchant marine and a perfect string of minor little things that he is going to do for the country's good, working in some thoughts upon free speech, a free press, innumerable other free things and free and fair elections, which, he declares, make the safeguard of our institutions, and are dearer to our people and more universally enjoyed than ever before. If he meant by dearer that the press costs more and elections more than ever before, he would have come very near the truth.

To his further remark that "these guarantees" free press, free and fair elections, etc., "must be sacredly preserved and wisely strengthened," all good citizens will say amen, but this good resolution hardly sounds well when coming from one who was elected by the subsidizing of the press, the consumation of election frauds and the intimidation of voters. Still, a resolution to preserve, or better, restore, the guarantees for the continued existence of our Republic can do no harm, even though it be made by one profiting from the breaking of those guarantees.

To follow the President further through his apologies for the calling of Congress in special session, or his comments on our duty to other peoples, would be tiresome, for, in treating of our foreign relations, as our finances, Mr. McKinley seems to have taken pains to make his remarks capable of many interpretations. His whole inaugural is as colorless as it well could be ; it indicates a man unable or unwilling to take a broad grasp of great questions, incompetent to construct and build up, either through lack of a will of his own or through a trained subserviency to the dictates of others entered into with the view of self-preferment; a man lacking in the courage of leadership, unfitted to put at the head of a great nation, and wanting in the ability needed to guide our people back to the path of prosperity, progress and happiness.

A DISMAL RETROSPECT AND A DARKER PROSPECT.

THE close of Mr. Cleveland's administration gives us occasion for much sombre reflection ; the inauguration of President McKinley for much dismal foreboding. The past four years have not been years of happiness and prosperity for our people; they have been years of gathering commercial disaster, industrial stagnation and distress. In the inauguration of Mr. McKinley many look for the dawn of a brighter era, of renewed industrial activity and general revival ; they look to Mr. McKinley to scatter the clouds of depression that hang over our people, start the wheels of industry, give employment to the idle, and put us again on the path to the attainment of happiness and prosperity. They are doomed to disappointment, for it is upon a change of policy, not of men, that we must wait for prosperity, and Mr. McKinley gives no promise of a change of that policy that, pursued by Mr. Cleveland, has eaten into the industrial vitality of our people.

Industrial Stagnation and the Cause.

For industrial stagnation there is a cause. That cause is unprofitableness of industry. It is the shrinkage of profits that has chilled incentive to enterprise, led to curtailment of production, and resulted in throwing thousands of industrious toilers into idleness. And this shrinkage in profits has been occasioned by shrinkage in prices and the value of property directly following, and followed by a curtailment in the markets for the products of our labor, for even as a curtailed market leads to a shrinkage in prices, that very shrinkage leads to a further curtailment of market. A curtailed market is both a prior and after effect of falling prices, the very shrinkage in prices leading to a further restriction in demand, for when prices are falling the tendency of would-be purchasers is to put off their purchases in the belief that prices will go still lower, and that they will be able to buy cheaper to-morrow than to-day.

That a shrinkage in market and prices is responsible for the industrial depression from which we suffer, every producer, whether farmer, manufacturer or miner, can bear witness. It may be, therefore, superfluous to point out at this time why falling prices undermine the profits of industry, cause the curtailment of production, the shutting down of mines and the closing of factories, the throwing of wage-earners out of work, and, generally, all that which goes by the name of hard-times.

Falling Prices—Cause and Effect.

But in one word we may be indulged. There are two kinds of falling prices growing out of two causes; the one destroys enterprise and the demand for goods, the other stimulates demand and adds incentive to production. Now, the one kind of falling prices is attributable to a reduction in the labor cost of production, a reduction—through the introduction of improved machinery and the application of scientific methods—in the amount of energy, brawn and muscle expended in production. This kind of falling prices directly injures no one. It would be better if no general fall in prices followed the introduction of improved machinery in production, for then the advantages of such improvements would accrue to the employer and wage-earner, to those active in production, not to the inactive. But though from this kind of falling prices the creditor classes may reap an advantage from the improvements in production which they had no share in perfecting, and to which they are not in justice entitled—for every man should be secured in the full enjoyment of the fruits of his own toil—such a fall in prices does not actually result in a reduction of profits, and does not, therefore, perceptibly hinder industrial advancement and prosperity. That industrial advancement must be much more rapid when such fall in prices does not take place is evident, for the producers of wealth have much greater incentive to rack their inventive faculties when they know they will reap the full advantage of the products of their brains than when they know much of that advantage will be gathered by those who take no part in production, and who live in idleness on fixed money incomes. And that industrial advancement is more rapid and prosperity greater when improvements in production are nullified as a factor working to depress general prices by a cheapening of money, is proven by the wonderful advancement of the world during the two decades following the gold discoveries of California and Australia, and prior to the closing of our mints to free silver coinage, a period of cheapening production but rising prices.

Now, the other kind of falling prices is attributable not to changes in the cost of production, not to any real cheapening of the products of labor, but to an appreciation in value of that thing in which commodities are measured : money. And this kind of falling prices must blight industry. In this case the pro-

ductive capacity of labor is the same, but of the goods produced a greater share must be given to the creditor classes. Thus a farmer with interest charges and taxes of $200 may have produced $1,000 worth of products at old prices and then comes a rise in the price of money, so that for the same quantity of products he gets but $500. But out of this $500 he must pay the same fixed charges of $200, the result of which is, that whereas at old prices the creditor took one-fifth of the product of his labor, he now takes two-fifths, leaving the farmer but three-fifths of the product of his labor for his own share, instead of four-fifths. Now, this is the case through all production when money rises. The creditor classes get more of the products of labor, and the share to be divided between employer as profits and employed as wages is of necessity curtailed. The result is, profits and wages fall, not only measured by dear dollars, but as measured by the products of labor, and it is this that stifles industry and engenders distress.

Mr. Cleveland's Responsibility.

Since Mr. Cleveland was inducted into office, prices in general have fallen by 20 per cent., and no one will be rash enough to assert that there has been any improvement in the methods of production, either on farm or in factory, during the last four years such as can be held accountable for this fall. The fall in prices must then be attributed to a rise in the price of money. And it is here Mr. Cleveland's responsibility for the hard times comes in, for he has relentlessly pursued a course calculated to enhance the value of the dollar and depress prices. And it is because Mr. McKinley is wedded to the same course that we can hope for no lifting of the clouds of industrial depression, no revival from the induction of Mr. McKinley into office.

In short, Mr. Cleveland has pursued a course antagonistic to the interests of our producing classes, calculated to make money dear and prices low, undermine the profits of industry, and stifle enterprise. Mr. McKinley is pledged to pursuit of the same course, and we can anticipate no different results to come out of such a course during the new administration than came out of it during the last. Indeed, the further this course is pursued, the more accentuated must all the evils growing out of it become, and so the country, under the McKinley administration, is doomed to greater depression, greater paralysis of trade and industry than that which steadily gathered its folds around us during the administration just closed, unless, indeed, there comes such an uprising of the people in 1898 as will put it in the power of the Fifty-sixth Congress to override the President, and command a reversal of the policy to which Mr. McKinley is pledged.

The Sherman Act.

Mr. Cleveland goes out of office leaving nothing to a people to be thankful for. What he has accomplished has brought disaster to our people; what he has striven to accomplish, but failed in, would have brought even worse disaster. From the day of his inauguration, four years ago, his one set purpose has been to contract our currency to the narrow gold basis. He found on the statute books the so-called Sherman Act, directing the purchase of 4,500,000 ounces of silver monthly, and the issue in payment therefor of Treasury notes, redeemable in gold or silver, at the discretion of the Secretary of the Treasury. The clause of the Act directing the redemption of these notes in either gold or silver at the discretion of the Secretary of the Treasury, he found treated as a dead letter, and he continued to so treat it. In October, 1891, Mr. Foster had surrendered the discretion vested by Congress in the Secretary of the Treasury to the note-holder. For one moment it seemed that Mr. Carlisle was about to resume this discretion, so unwarrantably surrendered, and direct the redemption of the Treasury notes in silver coin. In this way, he would have protected the gold reserve. But Mr. Cleveland promptly commanded Mr. Carlisle to do no such thing, and to continue to treat these notes as gold obligations. Mr. Carlisle submitted. If he had resigned, his political career might not be closing to-day. But he did submit, and so doing surrendered his manhood, lost self-respect, and the respect of his party, lost the respect of even those he stooped to serve.

The Bankers' Panic.

Before his inauguration, Mr. Cleveland pressed for the repeal of the purchasing clause of the Sherman Act. The Harrison administration was willing, but Congress was not. So Mr. Cleveland's pre-inauguration efforts to direct the financial policy of the country failed. But, installed in the presidential chair, he redoubled his efforts. The members of the Congress elected in 1892 were anything but unanimous for the unconditional repeal of the Sherman Act. They had been elected to repeal the McKinley tariff and the tax on State bank circulation, not to contract the currency, and to currency contraction they were opposed. Mr. Cleveland regarded them as refractory; they were refractory to the White House whip, but he resolved to whip them into obedience. He appealed to the banks and subsidized press for assistance; the subsidized press predicted panic if the Sherman Act was not promptly repealed; the New York banks deliberately set out to bring the panic about. They contracted their loans, commanded, cajoled the country banks into doing likewise. Men, thereupon, were forced to throw their products on the market, for sale at any price, in their efforts to get money to pay the loans called by the banks.

As a result, prices melted away, the country was thrown into panic and depositors began a general withdrawal of funds from the banks. The banks then commenced to reap the whirlwind of their own folly; but upon whom did the whirlwind fall? Not upon the guilty, but upon the duped. The country banks succumbed; the banks of New York and other financial centres deliberately took the law into their own hands and resorted to the use of Clearing House Certificates in place of money. They stopped payments in money, they continued payments in Clearing House Certificates, and declared themselves able to meet all demands. The country banks could not do this, and so, nearly 600 went to the wall. Thus the duped who had followed the New York banks into contracting their loans built their own ruin, while the guilty conspirators who set out to bring about panic went about proclaiming their solidity.

But the panic had the desired effect. Congressmen were appealed to by their deceived and squeezed constituents to vote for the repeal of the purchasing clause of the Sherman Act, the President made free use of the powerful whip of federal patronage, and enough members were beaten into line to put the repeal bill rapidly through the House. In the Senate it struck a snag, but the Senate finally succumbed to the concentrated assaults, and on the first of November, 1893, the act repealing the purchasing clause of the Sherman Act became law.

While all this was going on, the President's avowed enmity to silver was having its effect abroad. England, anticipating a further fall in the price of silver, and dreading the effect of such a fall on the Indian finances, resolved to put the Indian Treasury beyond the reach of such a fall. The interests of the Indian people were not considered, only the knowledge that the further silver rupees fell the more rupees would it take to pay gold interest in London, and the greater would be the inroad on the tax levies, carried weight with the Indian council. So the Indian mints were closed to silver coinage on private account, and the rupee given an artificial value.

Dire Results of the War on Silver.

The result of all this was that silver fell greatly as measured in gold. But as measured by its purchasing power in the silver-using countries and many of the paper-using countries, it did not fall at all. The result was that Britain could buy her supplies from silver-using and paper-using countries for less gold than before—not because prices in silver or paper had fallen, but because the ounce of gold would purchase more silver or

paper. The result was that Great Britain was tempted to greatly increase her purchases from such countries. We had to cut down our prices or lose our markets, and as we had to depend on Britain for a market for our surplus products, down prices came. And the result was what? In 1892 our cereal crops were worth about $1,222,000,000. Exact figures cannot be given, for no estimates of the rye, barley and buckwheat crops were prepared by the Agricultural Department for the years 1889–92. In 1894 they were worth but $1,043,007,948, in 1896 but $972,069,000, though we cultivated seven million more acres in 1896 than in 1892 (to be exact, 142,000,000 acres in 1892, and 149,339,000 acres in 1896). In other words, our farmers got $250,000,000 less for their cereals in 1896 than they got for a smaller expenditure of labor in 1892.

Nor will it do to blame this loss in values to fear of changes in tariff. The same cause that worked for this depreciation during the last four years has been working in the same direction for a quarter of a century. It was not put in motion, it was only accelerated, by Mr. Cleveland. So just to silence for all time, baseless assertions that the Wilson tariff must be held accountable for this depreciation in farm values, let it be remarked that in 1890 the value of our cereal crops was about $1,362,000,000. Two years of Mr. Harrison's administration passed, and in 1892 we find the value of our cereal crops fallen to $1,222,000,000. So, if we had a fall in the value of our cereal crop of $250,000,000 during Mr. Cleveland's administration, we had a fall of $140,000,000 during two years of Mr. Harrison's administration.

It appears, then, that the value of our cereal harvests in 1896 was actually $390,000,000 less than the value in 1890. And have we not here the explanation of curtailed demand for manufactured goods, manufacturing depression and all the incident ills?

War on the Greenbacks and Cause of Gold Exports.

The purchasing clause of the Sherman Act repealed, Mr. Cleveland set out to bring about the retirement of our greenbacks and Treasury notes. In this he fortunately failed. But in the meanwhile the fall in prices that had been accentuated by the repeal of the purchasing clause of the Sherman Act was entailing dire results. The undermining of profits had resulted in great curtailment of production and consequently of demand for transportation facilities. As a result our railroads were not prosperous, they were quite the reverse. And from all this it followed that foreigners saw no inducement to invest their incomes in our enterprises, either industrial or transportation, as they had long been in the habit of doing. Consequently they demanded the payment of the interest moneys ever falling due on our foreign indebtedness. The low prices of our agricultural products made it impossible to pay this interest with exports of merchandise, and so were obliged to ship gold. This gold, Mr. Cleveland declared, it was the duty of the Government to supply; he declared it would be a breach of faith to tender silver coin to the gold exporters, presenting greenbacks and treasury notes for redemption. So the demand for gold for export fell, of course, on the Government, and the Treasury gold reserve shrunk away. Then, to replenish it, Mr. Cleveland entered upon the course of selling bonds for gold. Of course, no relief followed. The piling up of gold in the Treasury simply made a convenient pile upon which exporters could draw for gold for export. The Government undertaking to collect and keep a reservoir of gold to supply the needs of gold exporters simply relieved the gold exporters of the cost of securing gold for export and thus facilitated its export. Thus rapidly were the proceeds of two loans of $50,000,000 each rapidly exhausted.

Failure of the Bond Issues.

Then Mr. Cleveland pursued another tack. Instead of borrowing gold at home, he struck upon the idea of borrowing gold abroad. So when for the third time the gold reserve had run down to the vanishing point, he contracted with a syndicate to bring him gold from abroad. The result of bringing gold from abroad was to cause a local inflation of money in New York, raise prices locally, make it easy for importers to borrow, and stimulate imports of merchandise, which increase of imports, of course soon led to an accentuation in the demand for gold for export.

So long as the proceeds of the bonds sold abroad by the syndicate lasted and the members of the syndicate could draw against borrowed gold, a check to gold exports resulted; but when the credit thus established was exhausted, gold exports were resumed in greater volume than ever. Down went the gold reserve again, and a fourth bond issue was ordered to build it up again. And thus it is that Mr. Cleveland has left us with a legacy of $262,315,400 bonds that stand for the purchase of nearly $294,000,000 of gold.

For six months we have had no trouble with this reserve, for the failure of harvests in India, Australia and Argentine has enabled us to command, and at high prices, a market for our products sufficient to make possible the payment of interest charges on our foreign debt by the export of merchandise. But the relief is obviously temporary, and if Mr. McKinley does not deviate from the course he has laid out for himself, depletion of the gold reserve and necessities of bond issues to build it up, will return to plague him as they have Mr. Cleveland. And all the satisfaction Mr. McKinley can get out of such issues will be the poor satisfaction of using, as has Mr. Cleveland, the necessity for these bond issues as an argument for the retirement of our greenbacks and Treasury notes. But such arguments will avail no more with the Fifty-fifth Congress than they did with the Fifty-third or Fifty-fourth.

The Wilson Tariff Not Responsible for Deficit or Hard Times.

And now one word as to the Wilson tariff. Much is laid to the door of this tariff that does not belong there. It was squeezed through the Fifty-third Congress in the last days of August, 1894. It went into effect immediately. The income tax feature of this revenue law that was calculated to turn between 30,000,000 and 40,000,000 of dollars into the Treasury annually, was declared to be unconstitutional, under circumstances that reflect little credit on one justice of the Supreme Court, and thus the law was left to do duty in a somewhat mangled condition. Now, to the door of this measure is laid the deficit in revenues that has mounted up to a total of something like $190,000,000 during Mr. Cleveland's administration. Also to its door is laid industrial depression, under the plea that it let down the tariff gates to a flood of European goods that swamped our producers. Now, if this flood had come, the deficit in revenues would not. As the deficit in revenues did come we may conclude that this flood did not come.

It is the falling off in imports that is, in a large measure, accountable for the deficit in revenues. Our imports for the years of Mr. Harrison's administration averaged about $810,000,000. For the calendar year 1893, they were $776,248,924, and the deficit in revenues $43,381,984; for 1894, they were $676,319,941, and the deficit in revenues $61,830,454; for 1895, they were $801,669,347, an increase due, first, to the inrush of goods that had been held back in anticipation of being entered at lower duties under the Wilson law, and second, to the artificial stimulus given to imports by the transactions of the bond syndicate. With this increase of imports, revenues rose and the deficit fell to $35,094,432. Then, picking up the thread again, we find imports for 1896 fell off to $681,576,139, and the deficit grew to $50,249,326. In other words, there has been a deficiency of imports for the years 1893–1896 as compared to the years 1889–1892 of over $300,000,000, and as the average rate of duty based on imports, both free and dutiable, under the Wilson law is close to

21 per cent., we have here accounted for one-third of the deficit built up during Mr. Cleveland's administration. But there is more of this story. The custom revenues under the McKinley law for the years 1892 and 1893 amounted to less than 22½ per cent. of the value of imports, which would indicate that the McKinley law would have yielded something between ten and twelve millions more of revenue a year than the Wilson law. In other words, for the two and a half years the Wilson law has been in force our customs and revenues would have been not more than $12,000,000 a year in excess of what they have been. And as the internal taxes were increased rather than diminished by the Wilson law, although revenues thereunder, consequent on a diminished consumption of whiskey, have fallen off, it is evident that even if the McKinley law had been in force during the whole of Mr. Cleveland's administration, the deficit would have been within $30,000,000 as large as it was, or say, $160,000,000 in place of $190,000,000.

Put the Blame Where it Belongs.

Clearly, then, it is curtailment of imports and of general consumption that is largely responsible for the deficit in revenues, and it is impoverishment of our people that has led to this curtailment. Nor can this impoverishment be charged to the Wilson tariff and a flooding of our markets, for it is seen there has been no increase, but an actual diminution of imports. The impoverishment is due to the fall in prices consequent in our adherence to the gold standard; this and nothing else.

It is true manufacturers have felt European competition more keenly than ever during the past three or four years, but it is not because more goods have been thrown on our markets, but because our markets have been less receptive. They feel increased competition because of the gold standard and the impoverishment of their customers, not because of the Wilson tariff.

Mr. McKinley, as Mr. Cleveland, Takes the Stand that Blocks the Path to Prosperity.

The industrial stagnation and trade depression from which we suffer not being attributable to the Wilson tariff, the replacing of that tariff by a higher tariff can avail us nothing. Nothing can avail us anything save a check to the appreciation of gold, for it is from this appreciation and the consequent fall in prices that we suffer. And as Mr. McKinley is resolved to oppose that which can alone check this appreciation, there is nothing in Mr. McKinley's inauguration on which to base the hope of industrial revival and renewed prosperity. High tariff by itself will accomplish nothing, for low tariff is not the root of our troubles. That root is the discarding of silver and the throwing of the monetary burdens on gold alone. To eradicate that root we must restore silver to its full place as money, and when Mr. McKinley sets himself against this, he sets himself against the revival of prosperity.

There is no escape from the conclusion that, as dismal as is the retrospect of the past four years the prospect for the four years of Mr. McKinley's administration is even darker. It is a cheerless prospect, but we must face it and learn the bitter lesson of experience that, if heeded, will fit us to seize the opportunity when it is offered to us, two and four years hence, to throw off the industrial blight that is falling over our country.

DISHONESTY MASQUERADING IN THE GARB OF HONESTY.

IN ADVANCE of his inaugural address, Mr. McKinley found an opportunity to deliver himself of some bits of financial wisdom. The public dinner of the Business Men's Republican and Sound Money Association, of New York, held last week, made the occasion, and Mr. McKinley made a letter, regretting his inability to grace the board with his presence, the vehicle for the conveyance of his sentiments. Mr. McKinley has a vague and indefinite way of expressing his financial sentiments, but it is to be gathered from the enthusiastic reception accorded to the reading of the letter that it conveyed a world of meaning to the moneyed interests assembled around the festive board. That it would have been accorded an equally enthusiastic reception before an assembly of industrious toilers can well be doubted. If it would not elicit disapproval before such an assembly as unanimous as was its cordial reception by the group of diners before whom it was read, it would be because its vagueness hid its true meaning. If Mr. McKinley had written, We must adopt that policy which will put the most dollars in your pockets (the pockets of the money cliques) and take most dollars out of the pockets of the producing classes for that purpose, he would have been better understood by those from whom the dollars would be taken, but his epistle would not have conveyed more meaning or been more enthusiastically received by those to whom it was addressed.

As to Mr. McKinley's discussion of financial policy, it is childlike, purposly it may be, but none the less childlike. His epigrams are given with all the innocence of an ignorant child; either this or the slyness and deception of the scheming politician and consummate hypocrite playing on the susceptibility of the people. We prefer to think our President discusses the financial question with childlike innocence, for ignorance is ever preferable to deception. A false policy entered into in ignorance may be retrieved; a false policy entered into in deception never, without the overthrow of the deceivers.

In the letter referred to, Mr. McKinley asserts that, "We must make good every obligation to our national creditors, express or implied, in the best money known to the world at time of payment." And by best money he means not that of greatest stability in purchasing power, not that which will come nearest to doing exact justice between debtor and creditor, but that money which, of all kinds, will purchase most, that will cost the debtor most to raise, and that will confer on the creditor the greatest advantage. In short, the dollar that robs the debtor for the enrichment of the creditor; not the dollar that neither robs the debtor nor defrauds the creditor, is the best dollar.

And, having thus epigramatically stated that we must pay all our obligations in the dearest money, Mr. McKinley lays down this epigram as axiomatic: "Poor money," he writes, "never made any country rich, and sound money will not and cannot make anyone poor." To this epigram stated by itself, and sound money being understood to be honest money, which must be money of fixed purchasing power, for no other money can protect the debtor from being robbed by the creditor, or secure the creditor from being defrauded by his debtor, we can all subscribe. But, unfortunately, we cannot take this epigram by itself, we cannot disconnect it from the foregoing assertion of our President that we must pay all our obligations in the dearest money going, and so "sound money," as used by Mr. McKinley, comes to mean not honest, but dishonest money. And dishonest money can make a country poor, whether it be dishonest from appreciation or depreciation. If a dollar appreciates, prices must fall, and if prices fall debtors must part with more of the products of labor to get the dollars they owe their creditors. And this is a dishonest dollar to debtors, for it forces them to give more of their produce to their creditors than justice requires, and thus deprives them of the fruits of their toil.

And such are the dollars with which Mr. McKinley tells us we must pay our obligations. And when he says we must pay our national creditors in the best, the dearest, money known to the world, he tells us in effect we must seek out and pay to our creditors the most dishonest money on the face of the globe, that is, the money that will do greatest injustice to debtors.

The greater part of our national debt was refunded in the years 1877–79. This debt had arisen out of the war. Now, at the time this debt was refunded we could have paid each bond

of $1000 with 903 bushels of wheat, for wheat then brought on the farm $1.10 8-10 a bushels. Last year it would have taken of wheat, even at the enhanced value as compared to other products given by the Indian famine, 1377 bushels, for the farm price of wheat was but 72.6c. In 1879 corn brought an average farm price of 37.5c. and oats 33.1c., last year of 21.5c. and 18.7c., respectively. So it appears that 2667 bushels of corn would have paid a $1000 bond in 1879; in 1896 it would have taken 4651 bushels. And, taking oats, we could have paid the same bond in 1879 with 3021 bushels that last year would have taken 5348. Now, it seems quite evident to the ordinary mortal that it is much harder to pay our national indebtedness to-day than it was in 1879, and it also is quite clear that the sound dollar that has been growing sounder or dearer and forced down prices so that we must give 474 more bushels of wheat, or 1984 more bushels of corn, or 2327 more bushels of oats to pay a $1000 bond to-day than we had to in 1879, not only can but must make those men who raise these cereals poorer.

And now suppose we look in another way at the question of whether or no "sound money," which Mr. McKinley defines as the best—the dearest money known to the world—has or can make anyone poorer. In 1879, our farmers planted in cereals corn, wheat, oats, rye, barley and buckwheat 102,260,950 acres, and the value of the crops was $1,245,127,719, or an average of $12.14 an acre. Now, last year the acreage of these same crops was 149,349,000 acres, and the value of the yield $972,069,000 or $6.51 an acre. It is clear, therefore, that to pay a thousand dollars of indebtedness in 1879 the cultivation of 82⅜ acres would have sufficed, while in 1896 our farmers had to cultivate 153 6-10 acres to pay the same indebtedness. And this being so, it is evident that the dollar that has caused this fall in money value of farm products through its own enhancement of value consequent on the efforts to contract the world's currency to the gold basis, and thus made it necessary to give the products of close to 71¼ more acres of land to pay an indebtedness of a thousand dollars in 1896 than it would have taken in 1879, must have made the men who cultivate these acres poorer. It may have made the men who receive this dear dollar as interest and principal richer, but it must have made the producers of wealth poorer.

If we look at this question from the standpoint of the planter, we find that to pay a $1,000 debt in 1894-95, he had to give 91½ acres of cotton; in 1878-79, the product of 52 acres would have gone as far. And will anyone deny that the fall in cotton, that has obliged the planter to give the product of 91½ acres of land to his creditor, where he gave but 52 in 1878-79, has not made the planter poorer? And as this fall is directly attributable to the efforts, partly successful, partly foiled, to discard silver as a money metal, and throw the burdens of the monetary functions on gold alone; directly attributable to the steady enhancement of the gold dollar, that passes by the name of sound money, who will deny that this sort of sound money makes the planter poorer and the creditor richer? And if the creditor lives out of the country, it must make the country poorer, for the extra bales of cotton that the planter must part with in settlement of his debts go not, as dollars, into the pockets of our people, but into the pockets of the creditor classes of foreign lands.

But the loss to our country does not end here, for an unjust distribution of wealth stifles industry and paralyzes the productive capacity of a people. When the products of labor are so distributed as to strip producers of the fruits of their toil, strip employers of profits, and wage-earners of much of their wage, enterprise must stagnate. The enjoyment of the fruits of industry is the incentive to enterprise, and if we strip these fruits from the producers and industrious, and confer them upon the idle, we destroy this incentive.

Men will not enter into production save when such production holds forth the promise of profits. Men will not continue to produce at a loss when it lies within their power to discontinue production without too great a sacrifice. The farmer will go on cultivating his fields even when they yield him no profit, for to let them go out of cultivation is to lose much of the labor spent in their reclamation from the wilderness. So also will the miner go on mining at a loss when suspension of operations would be followed by the flooding of his mine and the destruction of his works, and so will the manufacturer, whose machinery must deteriorate rapidly in idleness, long hesitate before closing his mill, even though running at a loss. No factory once closed can be re-opened without some expenditure of money that would not have been entailed if the plant had been kept in operation. And so it is that production is for long periods carried on at a loss, on farm, in mine and factory; farmer, miner and manufacturer eating into their capital. But the time must come when falling prices and continued losses in production cause one producer after another to fall out of the race and discontinue production, perhaps bankrupted.

So it is that as the dollar rises in value, thereby conferring a greater and greater share of the products of labor on the creditor classes, and of course depriving the debtor classes, who are the producing classes, of a proportionate share, profits of industry fall away, and production sinks further and further into a state of stagnation. And stagnation of industry is a loss of productive power that is no man's gain. Thus it is that a dear dollar throws upon producers a loss that far exceeds the gain it confers on creditors. Speaking figuratively, more dollars are taken out of the producers' pockets than go into the creditors'. Then, besides this, as the dollars that do go into the pockets of the creditors go in large measure into the pockets of foreign creditors, our country is a double loser from an appreciating dollar. We lose, first, from industrial stagnation and loss of productive power from idleness, and, second, from the increased tribute we pay to our foreign creditors.

So it is that the McKinley sound money, which is an appreciating and dishonest dollar, masquerading under a false name, not only can, but must, make our people and country poorer. And the dearer, and hence more dishonest, we make this dollar, the further we force down prices by contracting our currency, the poorer must our people and country become. In writing for dear money, Mr. McKinley writes the impoverishment of a people.

WOMEN'S WAYS.

CAN we ever quite recover
  The illusion of our youth,
When we thought the sky was heaven
  And all grown folks told the truth?

But the world is bright with promise,
  E'en to one who digs and delves,
And we keep our courage fairly
  Till we lose faith in ourselves.

Are there any still, I wonder,
  Who would live their lives again—
Take the same amount of pleasure
  With the heavy weight of pain?

Ah, the law was ordered wisely
  Which no light before us shed;
Could we make the journey, think you,
  If we saw the path ahead?

***

The less good a woman is in the world, the more she always says she is rushed to death.

***

Small kindnesses, small courtesies, small considerations, habitually practiced in our social intercourse, give a greater charm to the character than the display of great talents and accomplishments.

***

There aren't enough married lovers.—*Reflections of a Bachelor.*

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It doesn't always follow that the woman with a crest on her stationery has more to brag about in the matter of ancestry than one who uses the unembellished variety.

THE CRETAN SITUATION.

Our Paris Correspondent Renews our Acquaintance. Tells us of Armenian and Cretan Massacres.—Armenians Cowed and Die Like Sheep, but Cretans Made of Different Stuff.—Greek Intervention and European Discord.—General War Not Only Possible, but Probable.

[From our Special Correspondent.]

I BEGIN by a *mea culpa*: A year ago, treating the troubles in Armenia, I stated that if any sympathy were meritable I gave it to the Turks, not to the so-called Christians of Asia Minor; since then, official reports have modified my views; the French "Yellow Book" corroborates the statements, formerly open to doubt, of the British press, and establishes, conclusively, the fact that atrocities surpassing even those statements were committed in those provinces and, more still, that the French foreign office, notwithstanding the reports of its Ambassadors and Consuls, disdained to act.

The massacres in Armenia are now admitted to have been frightful; similar massacres would have been signalled in Crete, if the inhabitants of that island were not of a different race than those who, at Van, Diarbekr and a dozen other localities, perished under the knives and the bullets of the Mussulman fanatics. That the Armenian troubles were, in their origin, fomented by some foreign power does not excuse the brutality of their repression, and Christendom has begun to think that this state of things must cease. But how will it, or can it, cease? Here is the question that European diplomatists try to solve, but to which their united intelligence has not, so far, found a practical solution. The keystone of European equilibrium is supposed to be the "maintenance of the integrity of the Ottoman Empire." Yet how to reconcile this fiction with the aspirations of Christian nationalities wearied of Moslem misrule and determined to assert and vindicate their rights, has surpassed the efforts of the half-a-dozen old women who pow-pow around a green table to draw up notes and admonitions which are listened to by neither of the interested parties.

The Spark That May Set Europe Aflame.

King George is blamed for his action; he ought not, say the "peace-at-any-price" apostles, have so precipitated a crisis, of which no one can predict the upshot. But King George was like the man who "stood between the devil and the deep sea;" before him was the alternative: a domestic revolution and the loss of his crown, or a war where it is not possible to admit the final non-intervention of Christian nations to save his country from the renewed tyranny of Islam. We are told that the Kaiser has pronounced against him; I cannot see how the Kaiser can reduce King George to silence and inaction. The German fleet may blockade the insurgent island, it may blockade and even bombard the Piræus; to put a stop to an effervesence in Macedonia and on the frontiers of Thessaly, is more than the Germans can effectuate, admitting even that the Tsar will permit the sponging out of his uncle, the Greek sovereign. In my humble opinion, then, the tension of the situation has in no wise diminished, spite of the naval demonstration in Cretan waters; at most, the evil day of settlement is adjourned, and, with the melting of the snow on the continent, the dogs of war will be extensively slipped in East-Central Europe.

Paper Diplomacy and Inaction Bears its Fruit.

If, on the morrow of the most recent troubles in Crete, the Powers had seized the bull by the horns and had occupied the principal strategic points of that island, the Greeks could not have assumed their present attitude. They did nothing save show their helplessness; a few sailors were landed for the protection of the telegraph, nothing more; the massacres continued; only when it was learned that 3,000 Greek regulars had embarked at the Piræus was a virile resolution taken. It is too late to oppose a dyke to the movement. The Porte cannot dispose of sufficient forces to contend with the insurgents, who have artillery and officers, and who receive every day fresh re-inforcements; at least 60,000 Osmanli would be necessary to crush the "rebels," and Abd-ul-Hamid cannot furnish that quota. As to the effective blockade of the island, it is impossible; to suppose that the Cretans will obey Europe's instruction and disarm is absurd. The Cretans had received promises with European guaranties; those promises have not been fulfilled, and, taught by experience to be distrustful of promises, they will reply that they are decided to finish up the matter at once; that the grand theory of "nationalities," which in Italy and in Germany has received its consecration, should not remain as a dead letter for them. Certainly they will attack no point occupied by the European sailors, they will simply organize the rest of the island, will proclaim their independence of Turkey, their union with their mother country, Greece. And, I ask, what will the Powers do then?

Dismemberment of Turkey.

They cannot prolong indefinitely the occupation; they cannot hold Greece responsible for the will of the Candotarie, nor is it possible that in the midst of the daily difficulties, of the irritating incidents of the situation, can they long keep up their "understanding," in the matter of joint action. I presume, then, to advance that, so far as Crete is concerned, the solution is close at hand; I presume to add that, only after that solution, will begin the real difficulties of the European situation. After the annexation of Crete, several conflicting parties will demand their part of the Turkish cake. Greece, Servia, Bulgaria, each and all hanker after Macedonia, to which all pretend to have secular rights and claims. Which of the three claimants will be the lucky heir? By what power will their respective claims be backed? Austria wants her slice, but Russia is opposed to her pretensions; Russia wants Constantinople, but England is not agreeable to any such arrangement, save and except the cession to her of Smyrna and the recognition of her sovereignty in Egypt, where France objects, as she does to the annexation of Tripoli by the Italians.

Frankly, I cannot foresee any amicable solution to the problem, where Islam has something to say, being a sensibly interested party.

War Not Only Possible, But Probable.

Ergo, war at any moment is not only possible, but probable, and that, too, in a very near future. All depends upon the *real* intentions of Russia, and of those intentions we know nothing. We do know, however, that, as France was Anglo-maniac under the snob Waddington, and the humble servant of Germany under the coward Jules Ferry, she will scrupulously, at present, execute orders sent from Petersburg to M. Hanotaux.

In conclusion, I think that war will be postponed, simply because there are *two milliards* of Turkish bonds in Continental circulation, and that their holders—the Jews—would be ruined by the effectual demise of the "Sick Man of the Bosporus."

PARIS, February 19, 1897. Z.

WORDS OF WISDOM.

BEAUTIFUL lips are they whose words
Leap from the heart like songs of birds,
Yet whose utterance prudence girds.

* * *

No man should grunt who does not lift.

* * *

The chief want in life is somebody who shall make us do the best we can. —*Emerson.*

* * *

We are ruined not by what we really want, but by what we think we do; therefore never go abroad in search of your wants. If they are real wants they will come home to you, for he that buys what he does not want will soon want what he cannot buy.

* * *

Of all the senseless babble I have ever had occasion to read, the demonstrations of those philosophers who undertake to tell us all about the nature of God would be the worst, if they were not surpassed by the still greater absurdities of the philosophers who try to prove that there is no God.—*Professor Huxley.*

* * *

No one is truly rich who has not wealth of love, wealth of sympathy, wealth of good-will for men. No one knows what luxury is who has not enjoyed the luxury of doing good. No one has real happiness who has not the happiness of making others happy.

* * *

Books have always a secret influence on the understanding; we cannot at pleasure obliterate ideas: he that reads books of science, though without any desire of improvement, will grow more knowing; he that entertains himself with moral or religious treatises, will imperceptibly advance in goodness; the ideas which are often offered to the mind, will at last find a lucky moment when it is disposed to receive them.—*Samuel Johnson.*

BOOK REVIEWS.

THE FALL OF THE CONGO ARABS. By Sidney Langford Hinde. London: Methuen & Co., 11s. 6d.

The author of a book like this has a more exacting task, whether he knows it or not, in devising its title than in writing its chapters. If he chooses a matter-of-fact heading, as in this case, he runs the risk of failing to interest the general public, who suppose it to be only a dry record of a minor act in the drama of African exploration. If he makes his title popularly attractive he may easily be mistaken for one of the hack-writer tribe who live a cannibal life by cooking up the choice parts of famous writers and men of action. And if he escapes these perils there is still the haunting doubt whether there is a book-buying public sufficiently familiar with the details of the establishment of the Congo Free State to spend an hour or a dollar on anybody's book about it. In some such complication of misgivings we turned page after page of the introduction, by another hand, followed by a shorter introduction by the author himself. Though both are explicit, they belong to a not uncommon class of prefaces which would double their interest if they were made to serve as tails rather than as heads of books. No doubt we all ought to be well up in our African geography, and thoroughly posted in all the shifty phases of the land stealings, the dispossession or glorious slaughtering of the original rightful owners, and the other thousand and one fox and geese diplomacies which give the crimson blush to the torch flare of advancing civilization. But the scene is remote and the names are bothersome, and we have so much to read in other departments of fiction besides contemporary travel and history, that it rather flatters our complacence to patronize any new writer on Africa. In this instance we find the tables turned on our fancies.

The author is something more than an amateur globe-trotter, and he will take it as high compliment when we describe him as anything but a fine writer. In short, he is too subtantial a man of action to pose as a courtier for anybody's smile. He had a mind to do some useful work in Africa, he got the opportunity to do it, and he did it. This plain and modest account of his work and what he saw is all the more striking for its avoidance of the abundant temptations to indulge in claptrap verbiage which few travellers can resist. He confesses that he had been fascinated since boyhood with the possibilities of adventure in this particular unknown land, peopled by unknown races. But he did not go as a mere traveller at large. He served as medical officer in the British army for several years, and it was at the reiterated urgings of his friend Dr. Park, of the Emin Pasha Relief Expedition, that Dr. Hinde entered the service of the King of the Belgians in October, 1891, as medical officer in the Congo Free State forces, arriving out before the end of December. In due course his services were rewarded by a captaincy and various Belgian orders. From the beginning of 1892 until his return in September, 1894, Captain Hinde enjoyed all that the veriest glutton for strange and uncanny experiences could desire. The expedition soon developed into a fierce war between the Congo forces and the Arab slave-raiders in Central Africa. After the latter had been defeated with the loss of seventy thousand natives in three years, with proportionate losses on the side of the civilized forces, the war ended, only two white men surviving, Captain Hinde and the Belgian commandant Dhanis.

Without attempting any description of the country so graphically brought before us in the book, it may be as well to refresh our memories by noting that the Congo Free State owes its existence to the discovery by Stanley that Livingstone's river Lualaba was one and the same with the Congo, the second largest river in the world. He had to fight his way through savage tribes, and the more trying difficulties of the fifty-seven cataracts along eighteen hundred miles of the river he explored right down to the sea. He then organized a government, in the name of the King of the Belgians, for the enormous tract of the Congo basin, some 800,000 square miles, one-fourth the area of the United States, with a population estimated at about 8,000,000. We do not propose to follow Captain Hinde's intensely interesting story of the fights with the slave-making, crafty, cruel and valiant Arabs. From other books we have all got a more or less definite idea of the perils of the beneficent mission to which Livingstone and Charles Gordon gave their lives. We have supped on horrors of every kind served up in African books, but of them all Captain Hinde's is the first to give a plain matter-of-fact account of the practice of cannibalism. It came in his way to see more of the tribes who indulge in it than was the fortune of other travellers, and his good taste in dealing with so revolting a matter enables us to give it calmer consideration as a phase of human depravity, whether originating in religious superstition or as the indulgence of perverted appetite. This latter was Livingstone's reluctant conclusion, and there is a point worth noting in his remark that the Manyemas described human flesh as "saltish in flavor, requiring little condiment" taken in connection with Captain Hinde's statement that "of the many hardships encountered during the expedition, I think we all agree that the worst was the deprivation of salt." Others agree with Livingstone's report that many cannibal tribes are not only handsome and with "superior shaped heads," but have an average share of amiability in their domestic life. The Baluba tribe are described by Captain Hinde as "a fine, healthy, industrious race, the products of whose industries are to be found immense distances outside their own district. They are agriculturists, iron workers and cloth makers; the cloth made in this district being the money used by a great portion of the Arab settlements to the westward. Until quite lately they were not cannibals, and even now the *men* only eat their enemies who fall in battle. All the Balubas, both men and women, have their teeth filed and pointed; but though this is often considered a habit peculiar to cannibal races, I have noticed that it is by no means an invariable custom amongst them, and that many inveterate cannibal tribes do not make it a practice. The Baluba women are graceful, lively, gay and industrious. The whole Baluba race, and the women more especially, are no darker than the Egyptians. They have very good features, with the exception of the nose, which is flat; though even this is more prominent, and has a more pronounced bridge than is common amongst negro races. The lips are thin and well formed, the face oval, and the eyes large and brilliant. Most of the women of the Baluba race use a pigment to blacken the upper and lower lids, as do many European women, though this custom is not peculiar to them alone, but is common wherever Arab influence has penetrated in the Congo Basin. Nearly all the natives of this region are brown or dark yellow in color, a really black person being very rare. The front teeth are all filed, though, strange to say, this is hardly a disfigurement. Their many good qualities and high moral standard make them very valuable, and they are much sought after by Arab and even native chiefs for their harems. Another point that struck me among the Balubas within the Arab sphere of influence was their extreme personal cleanliness. A thorough bath half a dozen times a day was the rule rather than the exception."

Living in close touch with these people the author considers himself better qualified to discuss their habits than Stanley and the rest, who usually forced their way through hostile tribes without the opportunity for careful observation. This is his report:

Among the Basongos they found a regular traffic in slaves and children, sold as food to other tribes down the river. This was put a stop to. One of the native sentries during this local skirmish shot and killed a supposed enemy in the night. When the body was brought into camp it proved to be that of the sentry's father. The young man mourned because etiquette forbade him to eat his deceased parent, but he gave the corpse to his friends who banqueted thereon.

"So far as I have been able to discover, nearly all the tribes in the Congo Basin either are, or have been, cannibals; and among some of them the practice is on the increase. Races who until lately do not seem to have been cannibals, though situated in a country surrounded by cannibal races, have, from increased intercourse with their neighbors, learned to eat human flesh; for since the entry of Europeans into the country greater facilities for travelling and greater safety for travellers have come about. Formerly the people who wandered from their own neighborhood among the surrounding tribes were killed and eaten, and so did not return among their people to enlighten them by showing that human flesh was useful as an article of food.

"Soon after the station of Equator was established, the residents discovered that a wholesale human traffic was being carried on by the natives of the district between this station and Lake M'Zumba. The most daring of these natives were the tribes about Irebo, whose practice was to ascend the river Lulungu with large armed parties and raid among the natives on its banks. These people, though a well-built, sturdy race, were not fighting people. When the raiders had collected a sufficient number of people to fill their canoes, they returned to the Congo and carried them up the Oubangi, where they were sold to the natives to serve as food. Even now, though since the establishment of the Government stations some years ago this traffic has been stopped, it is almost impossible for the steamers that go up the Oubangi to buy meat. The captains of the steamers have often assured me that, whenever they try to buy goats from the natives, slaves are demanded in exchange, and the natives often come on board with tusks of ivory or other money with the intention of buying a slave, complaining that meat is now scarce in their neighborhood.

"Judging from what I have seen of these people, they seem fond of eating human flesh; and though it may be an acquired taste, there is not the slightest doubt in my mind that they prefer human flesh to any other. During all the time I lived among cannibal races I never came across a single case of their eating any kind of flesh raw: they invariably either boil, roast or smoke it. This custom of smoking flesh to make it keep would

have been very useful to us, as we were often without meat for long periods. We could, however, never buy smoked meat in the markets, it being impossible to b sure that it was not human flesh.

'The preference of different tribes, more than different individuals of a tribe, for various parts of the human body, is interesting. Some cut long steaks from the flesh of the thighs, legs, or arms; others prefer the hands and feet; and though the great majority do not eat the head, I have come across more than one tribe which prefers the head to any other part. Almost all use some part of the intestines on account of the fat they contain; for even the savages of Central Africa recognize, in common with our own cooks, that fat in some form is a necessary ingredient of different dishes.

"During the war in which we were engaged for two years, with our enormous crowds of camp followers, we reaped perhaps the only advantages that could be claimed for this disgusting custom. In the night following a battle or the storming of a town, these human wolves disposed of all the dead, leaving nothing even for the jackals, and thus saved us, no doubt, from many an epidemic.

"A man with his eyes open has no difficulty in knowing, from the horrible remains he is obliged to pass on his way, what people have preceded him on the road or battlefield; with this difference: that on a battlefield he will find those parts left to the jackals which the human wolves have not found to their taste; whereas on the road—generally by the smouldering camp fire, or the blackened spot indicating where the fire has been—are the whitening bones, cracked and broken, which form the relics of these disgusting banquets. These form a diary by the way, which 'he who runs may read,' if he know the habits of these people."

When we lightly say of our tramp and loafer tribe that they are good-for-nothing, may it not be possible to modify that unsatisfactory verdict after pondering this bit of Captain Hinde's testimony as to the practical-mindedness of the Basongos:

"Prisoners or servants have often spoken to me in this manner: 'We want meat; we know you have not enough goats and fowls to be able to spare us some, but give us *that man* (indicating one of their number); he is a lazy fellow, and you'll never get any good out of him, so you may as well give him to us to eat.'" We forbear to quote the more horrible things related as they occurred in the course of the expedition, the pleasantest in this connection being the fact that the wholesale cannibalism saved the Congo forces the trouble of burying the slain in battle, or the pestilence inevitable if left on the field. Each victor possessed himself of at least one of the defunct vanished, to be smoke-dried for the meatless days of peace. There are gourmands, savage as well as civilized, as this story bears witness. "A volunteer drummer who had been with us for some time disappeared, and we imagined had been killed. A day or two afterwards he was discovered dead in a hut by the side of a half-consumed corpse; he had apparently over-eaten himself, and had died in consequence."

Lazy Tours in Spain and Elsewhere. By Louise Chandler Moulton. Boston; Roberts Bros. $1.50.

A happily-named collection of travel notes, lifted out of the common level by the cheeriness and light wit that make good home reading for those who have made the tour and for those who hope to make it some day. Mrs. Moulton has a poet's instinct for whatever has charms and a pretty touch in describing it. Her talks are about Spain, Southern Italy, Rome, Florence, Paris, Switzerland, and the popular health resorts in Germany and France. The last chapter describes the famous English watering places Scarborough, Whitby and Tunbridge Wells. There is a practical, as well as sentimental and literary interest in these very pleasing chats, which call to mind the old-fashioned family letters sent home by the lucky one on tour. There were letter-writers and letters in those days, and not the least welcome of the many enjoyable things in this book is its awakening of recollections of the long ago. The book is very handsomely produced.

What Cheer? By W. Clark Russell, New York; R. F. Fenno & Co. $1.25.

This does not hesitate to introduce itself as the sad story of a wicked sailor, proving that two of the most marketable commodities in the fiction line are the blues and the horrors, and fortune awaits the pen that best succeeds in stirring them up. Mr. Russell is, notwithstanding this left-handed compliment, a master craftsman at his trade, which is that of spinning sailor yarns. His "Wreck of the Grosvenor" had a great run as one of the best sea stories since Marryat's. This is a romance of the fisherfolk and boatmen along the coast of the quiet little village of Deal. The characters are bluff and hearty, and the incidents lively enough for the youngest lover of the sea. The author lays himself out for some ambitious descriptive writing, which is greatly relished by the people who enjoy fine language. The green and gold covers give the book a fine appearance, fully worthy of the author and his story.

PUBLICATIONS RECEIVED.

THE NICARAGUA CANAL AND THE MONROE DOCTRINE. By Lindley Miller Keasbey. pp. 622. New York: G. P. Putnam's Sons.

ISAIAH, of the Modern Reader's Bible Series. Edited, with an Introduction and Notes, by Richard G. Moulton, M. A., Ph. D. pp. 260. New York: The Macmillan Co. 50c.

DEATH—AND AFTERWARDS. By Sir Edwin Arnold. With a supplement; reprinted by authority from the Fourteenth English edition. pp. 65. New York: New Amsterdam Book Co. 60c.

CHUM TI-KUNG; His Life and Adventures. A Novel. By Claude A. Rees. pp. 254. London: William Heinemann. 6s.

KITTY THE RAG. By "Rita." pp. 349. New York: R. F. Fenno & Co. (Received from John Wanamaker, Philadelphia.) $1.25.

FUNCTIONS OF GOVERNMENT: A Development of Principles That Necessitate the Existence of Government. By Frank D. Larrabee. pp. 220. Minneapolis: Kimball & Storer Co.

BOND AND INDUSTRIAL SLAVERY. By E. A. Twitchell. pp. 96. Minneapolis: E. A. Twitchell. Paper, 25c.

ABOUT BOOKS AND WRITERS.

Literary culture, unfortunately, has got into the noddles of the Faddists. Amateur Circles, Clubs, Societies and whatnot are all the rage with young ladies who meet for tittle-tattle, under the pleasing delusion that they are engaged in profound study of English literature. The University Extension movement is largely responsible for this amiable sham, and the lack of employment in the old professions is responsible for the University Extension movement. These last twenty years have seen a reluctance to choose the clerical profession on the part of the ablest young men; the army and the bar are less attractive than in the old days; medicine and science cannot provide fortunes for more than a few votaries; art, literature and journalism are not only overcrowded, but the avenues to pecuniary success and fame have got to be devious and rough. Hence, the invention of the lecturing machine, worked by raw recruits, whose more or less brilliant achievements promote, firstly, the culture fad; secondly, the sale of a literature specially gotten up for the faddists, who don't know about the solid books already in existence; and, thirdly, the importation of foreign lecturers, literature and Anglo-maniac crankeries, when our own native platform and literary ability is far superior.

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The pedant is always a bore and a bit of a fool, quibbling over the aniseed, mint and cummin, losing sight of the weightier matters of the spirit of speech, which makes for simplicity and clearness in the use of words. But sticklers for the teaching of pure English in colleges and circles should, at least, be able to say their say in language a little less slip-slop than that of the kitchen. Slovenly talk may be excused, but never slovenly writing, especially by public apostles of light and leading. The Philadelphia *Press* had an editorial last week on "Literature and English," lecturing college professors and teachers generally on their pitiable ignorance of the language and literature, and of the proper mode of teaching. The article begins thus: "Probably no educational problem has ever been attacked with so light a heart or has accomplished more harm to real cultivation than what is known as 'English' in our college departments."

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The elegant improved English of this oracular sentence will be more evident if we put the eight words from "or" to "cultivation" in brackets, and then read the entire sentence. It cannot expect to be "known as English" as it stands. The next sentence is increasingly brilliant. "Under this compendious heading *is* gathered *an* attempt to teach students (1) how to use English as a tool, (2) how to know English as a tongue, and (3) how to appreciate English literature." The italics and bracketed figures are ours, and the puzzle is to find out whether a single attempt can be "gathered," or whether these three "hows" "is" gathered. The next sentence repeats the pretty device of counting a trinity of results as a unity.

The italics again are ours, but the want of punctuation is not. "The practical *result*, as the study is carried on in a large number of institutions, is that the student is disgusted with the greater monuments of the tongue acquires conceptions of fantastic precision in its use and learns just enough of its philology to leave him with the impression that he knows something."

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These elegant extracts in pedagogical Newspaperese are not all. When the learned writer gets up to the higher inspiration to be sought from "books of power, that lift the soul into communion with the Divine spirit that broods over humanity" he eloquently demands that the student's mind shall be "put to soak" in these books, even as the washwoman soaks the student's collars in her equally saponaceous suds. The wits of the average schoolboy will require considerable soaking in "what is known as English" of this sort before he dare venture to print a sentence like this, "we have our universities studying . . . third and fourth-rate authors, *which* are dug up and written about and treated as of consequence."

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If slovenliness is the rule in mere newspaper English, it might be supposed quite the exception in professedly literary journals, yet here are two glaring examples of it, each one occurring in the very first sentences of very prominent literary articles in two New York weekly publications of the same date. Number one is the full-page article on the series of thirty volumes of world-literature being published by Harper Brothers, and it was written in their house. These are the opening words, "Charles Dudley Warner, *than* whom few American writers hold *so high* a place, is" *etc*. All italics are ours. Number two is from a different article on the same subject and from the same source. It begins, "It was the remark of a celebrated English man of letters that even a *student* could not hope to attain sufficient discrimination to safely find his way through the immense volume of *literature* under forty years of age." Is this the age of the literature or the student?

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The business of the printing and publishing of Bibles is a constantly-growing one. In the year ending March, 1896, the Oxford Press published a total of Bibles, parts of Bibles, and prayer-books amounting to 2,906,977, while the record for the preceding year was 2,622,807. The average output of Oxford

Bibles is 20,000 a week, or about one million a year, while the shipments to America average five and a half tons weekly, and are steadily increasing. There are now seventy-one editions of these Bibles, ranging from the great pulpit folios to the tiny copies in "brilliant." The Authorized Version is far more generally used than the Revised Version, which, though now fifteen years before the public, has made but slow progress. In 1875 there were 500,000 Oxford Bibles sold; the sales have steadily increased until they reached 1,000,000 in 1895.

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Those pagans, the Persians, show a poor appreciation of the efforts of excellent people for their spiritual good. A traveller in the East records the following conversation with Mr. Wood, British Consul at Tabreez, in Persia: "Do you know what these are made of?" Mr. Wood asked, as he handed me an ash tray. "They look like papier-mache," I replied. "So they are," he said; "but they are made of British Bibles. You have no idea what a boon these Bibles are to the village industries of Persia."

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What next? Rudyard Kipling among the plagiarists!

Mr. Paul M. Paine writes to *The Critic*: "In Mr. Kipling's book, 'The Seven Seas,' I have found what seems to be an unmistakable trace of the American influence. I refer to the poem, 'Bill 'Awkins,' which runs like this:

"'As anybody seen Bill 'Awkins?"
"Now 'ow in the devil would I know?"
"'E's taken my girl out walkin',
An' I've got to tell 'im so—
Gawd bless—'im!
I've got to tell 'im so."'

It was some time before the 'Barrack-Room Ballads' were first heard of, that a young man of my acquaintance, who lived in New Orleans, used to chant this ditty:

'"Have any o' yo' seen my Lulu?"
"How in de debbil would you know her?"
"I'd know her by her apurnstrings,
'n' her shoestrings a hangin' on the flo',
Gol darn her!
'n' her shoestrings a hangin' on the flo'."'

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Mr. Bernard Quaritch will soon publish a biographical dictionary of eminent Chinamen, compiled by Mr. Giles, lately English Consul at a Chinese port. There will be between two and three thousand articles, including detailed accounts of the Emperors of the present dynasty, the leading statesmen, authors, artists and soldiers, and of the leaders of the insurrections of the last century or so.

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"The Fern-Collector's Handbook and Herbarium," by Miss S. F. Price, is announced for speedy publication by Messrs. Henry Holt & Co. Notwithstanding its title, it is a popular work for those who may have no previous knowledge of botany. There are seventy-two large plates, most of them life-size, from which it is easy to identify any ferns that one may find. The same house will also issue the second and concluding volume of "Litterature Francaise," by Prof. E. Aubert, of the New York Normal College. This volume is chiefly composed of extracts from the greatest French writers of the Eighteenth and Nineteenth Centuries. Brief biographical notices in French are also included.

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The Century Company has organized a novel competion for prizes aggregating $1,000. Answers are required for 150 questions relating to topics concerning which all persons need information. They are not technical subjects, nor especially learned ones, but may be called every-day subjects. The answers to them all are to be found in that unrivalled storehouse of useful knowledge—the Century Dictionary and Cyclopædia. College professors will be chosen to make the awards. The first prize in amount is $500.

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Mr. John Hays Hammond, the American engineer whose name came to the front in the Transvaal troubles, has written an article, "South Africa and Its Future," for the February *North American Review*. Within the limits of sixteen pages Mr. Hammond gives a clear conception of the conditions of "South Africa." As to the gold reefs in the Witwatersrand he writes that geological evidence indicates the permanency of these deposits to a depth "far beyond the zone of feasible mining operations." According, then, to the expert mining engineer, one section, eleven-and-a-half miles, if worked to a depth of 5,000 feet vertically, would produce gold worth $2,000,000,000.